

# Estimate of the Situation

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## That's A Mighty Big Gorilla You Have There, Doctor Jones...

When a topic arises that everyone knows about but refuses to discuss, people often refer to it as “the 800-pound gorilla in the room.”

People avoid unpleasant topics because the positive thinking trope has been fully inculcated into the American psyche. Each of us is counseled from birth to “avoid negative people” and to be “a glass half-full” kind of person. That’s why I approached writing this week’s issue with more than a little trepidation.

After laboring in the health care vineyard for many years, I have reluctantly concluded that the human capacity for self-deception must be nearly infinite. If one listens carefully to the jargon that assaults our minds on a daily basis, Humpty Dumpty’s conversation with Alice will come to mind.

“When I use a word,” Humpty Dumpty said, in rather a scornful tone, “it means just what I choose it to mean—neither more nor less.”

“The question is,” said Alice, “whether you can make words mean so many different things.”

“The question is,” said Humpty Dumpty, “which is to be master—that’s all.”

Mr. Dumpty has it exactly right. “Which is to be master” is truly the only question.

Semantics do matter. The words used to describe things carry a lot of baggage including unspoken assumptions, implied priorities, and confirmations of validity. Improperly applied, words can separate the listener from the real world and cause grievous harm. That’s why it is well past time to call things by their right names, beginning with a clear-eyed description of the destruction being visited upon physicians and hospitals in the name of “health care reform”.

Despite wishful thinking and considerable self-serving rhetoric to the contrary, the U.S. health care delivery system is not “Patient Centered”. It is “Third Party Payer Centered”. It would have been more accurate had the “Affordable Care Act” been labeled the “Insurers Guaranteed Revenue Stream Act” because billions of dollars are being wasted annually to protect the financial interests of Third Party Payers. *The damage done to the profession of medicine and to U.S. hospitals in that protection effort is undeniable as is the rapidly growing reaction to that damage.*

- More than one-third of U.S. hospitals will close in the next six years.
  - The bulk of those closures will occur in small rural communities, devastating local economies.
  - Alternative non-traditional low cost primary care delivery providers are being established in major U.S. cities including retail clinics operated by [CVS](#), [Walgreens](#), and [Walmart](#).
  - [Telemedicine direct primary care providers](#) are rapidly emerging with the potential to practice virtually anywhere.
- More than one-third of U.S. physicians will abandon the practice of medicine in the next seven years.
  - Less than one-half of practicing U.S. physicians (45.7%) currently participates in the Medicaid program.
  - More than forty percent (40.0%) of practicing U.S. physicians have stopped accepting new Medicare patients.
  - A small but growing number of physicians have stopped taking insurance payments and are moving to the concierge medicine model.
  - Other physicians are moving to market-based cash systems (see Doctor Keith Smith’s [Surgery Center of Oklahoma](#)).

The bureaucratically-managed Third Party Payer System has failed and the flawed economic assumptions central to its structure make it unsalvageable. In the next issue, we’ll explore those flaws more completely and discuss their effect on cost.

FJB